

**Minutes of:** CALIFORNIA STATE ATHLETIC COMMISSION  
**Meeting Specifics:** Regular Commission Meeting  
February 9, 2002 – 10:00 a.m.  
El Segundo – Embassy Suites  
1440 East Imperial Avenue  
El Segundo, CA

**1. CALL TO ORDER BY CHAIRMAN**

Commissioners Present: Manuel “Cal” Soto, Chairman  
Elmer Costa, Vice-Chairman  
Alvin Ducheny  
Sanford Michelman  
Armando Vergara

Commissioner Not Present: Van Gordon Sauter

Staff Present: Rob Lynch, Executive Officer  
Earl Plowman, Deputy Attorney General – Licensing  
Anita Scuri, DCA Legal Counsel  
Frank Munoz, Recording Secretary  
Dean Lohuis, Chief Inspector  
Sal Barajas, Assistant Chief Inspector  
Leydis Church, Associate Governmental Program Analyst

**2. APPROVAL OF DECEMBER 6, 2001 COMMISSION MEETING MINUTES**

Mr. Lynch informed the commission that there were two sets of minutes which were the standard version and an abridged version. He explained that in the standard version of the minutes it detailed everything that was discussed at the commission meeting whereas in the abridged version the action items were condensed but the information items were not reduced. At that point, he asked the commission which set they preferred.

Commissioner Michelman requested that both sets of minutes be included in the meeting binders because if he wanted a quick reference he could look at the abridged version. He added that if he wanted to read exactly what was stated at the meeting he could look at the standard version. Vice-Chairman Costa concurred.

There were no corrections.

**Action I:** Motion by Commissioner Vergara and seconded by Commissioner Ducheny to approve the December 6, 2001 minutes without corrections.

**Vote:** Unanimous

**Action II:** Motion by Commissioner Michelman and seconded by Vice-Chairman Costa to include the abridged version and the standard version of commission meeting minutes in the meeting binders.

**Vote:** Unanimous

**3. SUMMARY OF CHAIRMAN ACTIVITIES SINCE LAST MEETING**

Chairman Soto informed the commission that he and his wife celebrated their 53<sup>rd</sup> wedding anniversary on January 22, 2002. He stated that he loved her just as much as when he first married her.

At that point, he reported that he went to a fight at the Hollywood Palladium and saw Mr. Robert Arum of Top Rank, Inc. He stated that he and Mr. Arum had a conversation and during the conversation Mr. Arum informed him that Top Rank signed a 5 million-dollar contract with the Anaheim Pond to hold shows at their venue. Chairman Soto stated that he congratulated Mr. Arum and requested that he bring some big fights to California.

Chairman Soto stated that he went to Las Vegas and met with Executive Officer, Marc Ratner, of the Nevada Athletic Commission. He explained that they discussed the issues of Nevada regulating Toughman Competitions and Mixed Martial Arts. At that point, he reminded the commission that those types of sports were items that the commission had addressed on several occasions during meetings. He reported that Mr. Ratner advised him that the majority of people that came to see those types of events were California residents. With that in mind, Chairman Soto pointed out that the commission was missing out on the revenue that was being generated in Nevada for those types of fighting sports.

**4. SUMMARY OF EXECUTIVE OFFICER ACTIVITIES SINCE THE LAST MEETING**

Mr. Lynch updated the commission on the budget cuts that the commission had taken for fiscal year 2001-02, the cuts that the commission would take in fiscal year 2002-03, and how staff allocated existing resources to achieve the cuts. He reported that for fiscal year 2001-02, the commission took a total cut of \$85,000. He explained that staff met the cut by sacrificing two vacant Office Technician positions in addition to trimming back on postage and travel. He added that staff also was instructed to suspend supply purchases, as well as mailing of suspension bulletins, show results and upcoming events. He also noted that he ceased all overtime for staff.

Mr. Lynch reported that for fiscal year 2002-03 the commission would experience another cut of \$130,000 which would be offset by deleting the current vacant Office Technician position in the Los Angeles office as well as one Athletic Inspector position. He pointed out that additional adjustments would be made under operating expenses.

Mr. Lynch informed the commission that the Department of Finance (DOF) denied the Deficiency Request in the amount of \$50,000 to pay the Gwen Adair vs. CSAC

settlement. He noted that Deficiency Requests for true, unforeseen emergencies were usually approved but the DOF claimed that due to the current economic climate in California the administration would not approve any requests. Due to the denial, he stated that it would take another chunk out of the commission's operating expenses.

Mr. Lynch stated that he and Ms. Kathy Chilimidos met with the commission's pension attorney, Mr. Kevin Long, to begin preparing the Invitation for Bid for the pension plan's investment services provider. He explained that staff would soon have a teleconference with the Pension Plan Committee to update them on the process.

Lastly, Mr. Lynch updated the commission on the Constitutional Amendment Initiative (Gaming Control Act) which would legalize gambling and do away with the commission. He stated that it was cleared by the Attorney General's Office for petition circulation, which meant that they were now free to seek signatures.

## **5. ELECTION OF OFFICERS - ACTION**

Chairman Soto stated that at the first meeting of every year the commission had to elect commission officers (i.e. Chairman and Vice-Chairman) pursuant to Business and Professions Code Section 18606. With that in mind, Chairman Soto nominated himself as Chairman for the 2002 year. At that point, Commissioner Ducheny stated that he would support that motion and also nominated Vice-Chairman Costa as the Vice-Chairman for the 2002 year. Commissioner Michelman concurred.

**Action:** Motion by Commissioner Ducheny and seconded by Commissioner Michelman to reelect Chairman Soto and Vice-Chairman Costa as the elected commission officers for the 2002 year.

**Vote:** Unanimous

Chairman Soto thanked his fellow commissioners for the honor of being re-elected as Chairman of the commission. He stated that the 2002-year might be his last term due to his term expiration. At that point, Vice-Chairman Costa stated that he was also honored to be re-elected as Vice-Chairman.

## **6. APPEAL OF SUSPENSION & FINE – ACTION**

### **6.1 Guillermo Silva – Licensed Manager – Appeal of Suspension/Fine**

Mr. Silva appealed his suspension and fine of \$2,500 for verbal abuse of officials/staff on November 23, 2001. This is a violation of Commission Rule 360.

**Action:** Motion by Vice-Chairman Costa and seconded by Commissioner Vergara to suspend Mr. Silva's manager license until December 31, 2001 and reduce the fine to \$500.

**Vote:** Unanimous

**7. LICENSE APPROVALS – NEW APPLICATIONS – SPECIAL CONSIDERATIONS – ACTION**

**7.1 Kentaro Yoshino – dba World Wide Boxing Promotions – Professional Boxing Promoter – Original**

Mr. Yoshino appeared before the commission to request approval of his 2002 professional boxing promoter license. World Wide Boxing Promotions received a temporary license in August 2001 and promoted one event in San Diego. Mr. James Farol is the Matchmaker.

**Action:** Motion by Commissioner Ducheny and seconded by Vice-Chairman Costa to grant World Wide Boxing Promotions an original 20002 professional boxing promoter license.

**Vote:** Unanimous

**7.2 George Chung – dba American Champion Sports – Professional Boxing Promoter - Original**

Mr. Chung appeared before the commission to request approval of his 2002 professional boxing promoter license. American Champion Sports received a temporary license in January 2002 but had yet to promote and event. Mr. Chung plans on promoting his own events and in conjunction with Top Rank. Mr. Chung is also licensed to promote in Nevada.

**Action:** Motion by Commissioner Ducheny and seconded by Commissioner Vergara to grant American Champion Sports an original 2002 professional boxing promoter license.

**Vote:** Unanimous

**8. REGULATION HEARING - ACTION**

**8.1 Rule 294 – Emergency Equipment Required**

Public testimony was taken regarding whether ambulances should be required at all professional/amateur boxing and martial arts events. Comments were also taken on the staffing of the ambulances (i.e. 2 paramedics or 2 EMTs or 1 paramedic and 1 EMT) and what is adequate access for medical evacuation.

Those opposing the ambulance requirement were amateur kickboxing promoters Dan and Steve Rodarte. They felt that the two ringside doctors could handle any emergency and they opposed the additional cost.

Those supporting the ambulance requirement were promoters Don and Lorraine Chargin and Roy Englebrecht, Chair of the Medical Advisory Committee and ringside doctor Paul Wallace, Los Angeles Fire Captain and referee Jack Reiss, and referee Martin Denkin.

After much discussion, it was agreed upon that an ambulance staffed by at least one paramedic shall be required at all events. The proposed regulation reads as follows:

*The club shall ensure that an ambulance and at least one paramedic is available at the site during and after the show until released by a ringside physician and that there is adequate access for a medical evacuation as determined by a commission representative and a ringside physician on a case by case basis should that become necessary.*

**Action:** Motion by Commissioner Ducheny and seconded by Commissioner Vergara to approve the regulation as drafted and amended and after the 15-day comment period the commission grant the authority to the Executive Officer to adopt the regulation if there are no adverse comments.

**Vote:** Unanimous

## **9. PROPOSED LEGISLATION - ACTION**

### **9.1 Hepatitis C Testing/Frequency of HIV/Hep. B & C Testing**

As a condition of licensure, professional boxers/martial arts fighters must produce a negative HIV and Hepatitis B test annually. On November 19, 2001, the Legislative Sub-Committee met in Los Angeles to accept testimony on the frequency of HIV and Hepatitis B testing and the additional proposed requirement of Hepatitis C testing. Testimony was taken from Dr. Paul Wallace, Roy Englebrecht, referee Chuck Hassett, matchmaker Jerry Bilderrain, and two managers and two boxers. Based upon that hearing, the following proposed amended version to Business and Professions Code Section 18712 as follows:

*Notwithstanding any other provision of law, any person applying for a license or the renewal of a license as an amateur or professional boxer or as an amateur or professional martial arts fighter shall present documentary evidence satisfactory to the commission that the applicant has been administered a test, by a laboratory in the United States that possesses a certificate under the Clinical Laboratory Improvement Act (43 U.S.C. Section 263a), to detect the presence of antibodies both to the human immunodeficiency virus (HIV) and to hepatitis type C (HBC) and to detect the presence of the antigen of virus hepatitis type B (HBV) within 30 days prior to the date of the application and that the results of all three are negative. Negative reports for all three tests shall also be required of any boxer or martial arts fighter prior to fighting in a contest that will take place more than 180 days after the date of the tests submitted for issuance or renewal of a license.*

*Information received under this section and any other medical information about an applicant or licensee shall be confidential and not subject to discovery or subpoena. If the commission denies a license or the renewal of a license or suspends or revokes a license because of a licensee's HIV or HBC antibody status or HBV antigen status, it shall state only that the action was taken for medical reasons. An applicant or licensee may appeal the commission's denial, suspension, or revocation of a license under this*

*section. The commission shall notify each person in writing of his or her right to a closed hearing for that appeal. An applicant or licensee must make a request for a hearing to the commission within 30 days of receiving notification from the commission of the applicant's or licensee's right to a hearing.*

Mr. Lynch stated that the draft language did not include a straight requirement that every boxer be tested every six months because the requirement would not be enforceable and because of the transient nature of boxers. He explained that in the drafted language it provided an alternative that required boxers to be tested if they would be fighting in a contest that would take place more than 180 days from the date of the tests submitted for issuance or renewal of a license. He pointed out that this would have the effect of the second set of tests only if the boxer actually seeks to fight in California during that second six month period. He added that this would be an enforceable option from a legal and regulatory point of view. At that point, Mr. Lynch recommended that the commission approve the proposed legislative language.

Commissioner Ducheny informed the commission that he had already submitted the proposal to Mr. Andrew Governor who was associated with Hepatitis organizations. He stated that the proposal had to be submitted before the meeting so that it could be included for the year's calendar of items that were to be addressed in the legislature. He added that with the help provided by Mr. Governor an author could be found to carry the proposal. He noted that Senator Polanco was a possible author for the proposal.

After a lengthy discussion regarding the appropriateness of including amateur boxers and kickboxers, the following action was taken.

<b>Action:</b>	Motion by Commissioner Ducheny and seconded by Vice-Chairman Costa to exclude amateur boxers and kickboxers from the proposed legislation and keep the requirement of twice a year testing. Also the commission shall schedule and address, at a future meeting, the change of regulation to reflect that all amateur fighters wear commission approved headgear.
<b>Vote:</b>	3-2
<b>Ayes:</b>	Chairman Soto, Vice-Chairman Costa, and Commissioner Ducheny
<b>Noes:</b>	Commissioner Michelman and Vergara

## **10. COMMITTEE REPORTS – INFORMATION/ACTION**

### **10.1 Arbitration Committee Report**

Mr. Plowman stated that there were no arbitrations currently scheduled and he and staff were awaiting the renewal of licensed managers to determine if any contracts were going to be voided. Mr. Lynch added that the regulations stated that anytime a manager did not renew his/her license the boxer/manager contracts that were signed would become void. He informed the commission that when the renewal applications were sent out staff

included a notice informing all managers that they had a certain amount of time to renew their license before their contracts were null and void.

## **10.2 Pension Plan Review Committee Report**

Commissioner Ducheny stated that it was his understanding that he and Commissioner Michelman were going to have a Tele-conference with staff and the Pension Plan Attorney, Mr. Kevin Long. Commissioner Ducheny asked Mr. Lynch what would be discussed at the meeting. Mr. Lynch advised him that they would discuss the information for the bid process.

Commissioner Michelman asked Mr. Lynch if Mr. Long had provided the full file and report regarding the Pension Plan history as he requested at a previous meeting. Mr. Lynch informed him that the materials were almost complete and it would be overnighted to him.

## **10.3 Medical and Safety Standards Advisory Committee Report**

There was nothing to report.

### **10.3.1 2001 Boxing Injuries – Dr. Paul Wallace**

The following is a verbatim discussion between Dr. Wallace and the commission:

**Dr. Wallace:** I have a few items of information to present to the commission. If you see the boxing injuries for 2001 it was created by information that staff was able to get to me. Uh, we had a reported 356 injuries as you can see from the knockouts, eye injuries, rib injuries, extremities such as hands, lacerations and others.

**Chairman Soto:** Is this included in your report?

**Dr. Wallace:** It's in the binder. I'm extremely happy and elated to report that we haven't had any deaths. Again remembering that we do at least twice as many fights than any other place in the United States, so it's credited to commission staff, the physicians and the officials because our interactions between the referees and the ringside physicians is better and different than any other place in the world and I truly believe that has been the reason that we've been able to not have a death in boxing in about 21 years. There are some problems that I have that I would like to address you on. With this information – number one: we are going to be making a proposal directed towards Rob on changing the medical form or injury form because right now it doesn't serve a true purpose for us. We aren't able to get that information and to be able to look at it, analyze it and perhaps even publish it so that we can see where the injuries are and what type of injuries that do occur. Right now there's no mechanism in place where we can follow up on any of our boxers. The best that we have is that they have been cleared. We don't know what that clearance means and for example some of our boxers who we have been hospitalized we don't know whatever happened to them. We don't know if they stayed in the hospital. It

is not the responsibility as the rules and regulations are towards ringside physicians to have any involvement with the boxer once they leave the venue. Uh, that leaves big gaps at least medically so that we need to take a look at to study what seems to be the problems. So one of the things I will be asking the commission and Rob specifically is to make the information available to me, through the Medical Advisory Committee, to our ringside physicians so that we could use this information. For one: our own internal research – Number two: studying the injury patterns we have, which no state has ever looked at that and I certainly have been pushing it for the last many years and I would like for this year, 2002, for us to go in that direction. You can tweak with all the numbers but it basically comes down to we had about 650 fights and over 4000 rounds without a major injury and that's to be really commended. There's not another commission in the world that approaches the types of numbers that we have. I'm going to try in this calendar year to bring you no more than three well no more than five or somewhere between three and five issues which I will put forward that I'll need you to act on. So those will be submitted in a timely fashion so that we could have a discussion about them throughout the year. There are several issues which are gray that we are operating on now without direction and it changes from ringside physician to ringside physician. And a couple of those just for an example is: we need to have a discussion with regards to seizures. There is nothing that we have in terms of policy or book about boxers who have seizures. In the current ABC we allow the seizures to go on a case by case and there is a panel of neurologists that we use to determine whether or not that boxer should be able to be licensed. We have issues with regards to follow up for any of the neurological studies or neurological injuries that boxers have had and right now it's just an open part. If they had an injury they are suspended and in many states there is no other follow up. I also am concerned and certainly sensitive to our budget cuts. As the regulations state right know, anytime that a boxers is hurt or a physician deems that an extra tests needs to be done the state has to bear 50% of that. I think that there are some things that I think we can do to maybe offset some of cost associated with that but also have a higher level of study and understanding about whether or not we should restrict, suspend or deny a license to a boxer.

**Chairman Soto:** Doctor getting back to what you said awhile ago. What about a fighter who has a seizure? What happens to him?

**Dr. Wallace:** Well, one example is here in the State of California if you had a documented seizure your license is automatically denied. You cannot drive any longer, however, you can get the license back if number one there is a period of time in which you've been seizure free and number two whether what type of seizure you had. There's several types where you see people shaking on the ground and there are some where there is just blinking of the eye. If that's the case and under medication and the boxer has gone for a specific period of time without having any problems there is absolutely no reason why they shouldn't be allowed to box.

**Commissioner Ducheny:** Mr. Chairman I mean this wasn't really a noticed discussion topic and we should just get to the noticed part of it because it's a whole new topic.



**Chairman Soto:** My comments or his comments?

**Commissioner Ducheny:** His comments.

**Dr. Wallace:** My comments are information from the calendar year of 2001 and I have the privilege of being able to say this in front of the whole commission! They should know the issues that are there and any issues that are going to require you have an action on.

**Commissioner Ducheny:** Yes sir, Dr. Wallace would you please go through procedure please! Okay, would you make out those proposals that you have for the coming year. Would you write them down so that we could see them ahead of time before you make a presentation to us. We just want you to go through procedures. You write it down we look at it before you bring them here and start telling us about it!

**Dr. Wallace:** That is not correct!

**Commissioner Ducheny:** Well that's what I would ask!

**Dr. Wallace:** Well what you ask sir and what the Medical or one of your Sub-Committees do – I'm presenting a report.

**Commissioner Ducheny:** I would ask you to put it in writing.

**Chairman Soto:** It's getting out of order, now please.

**Dr. Wallace:** Anything that I request that you need to take action on will be put writing.

**Commissioner Ducheny:** Sir, before you bring it before use please put it in writing. That is the procedure and so that we know what you are going to say. That's what I'm asking. That's procedure - Parliamentary Procedure. Before you come to us, you write it down so we know what you're talking about and we know what to expect.

**Dr. Wallace:** I'd like to have a written legal opinion on that from your AG with regards to your standing committees.

**Chairman Soto:** Excuse me Dr. Wallace, Commissioner Michelman has a comment that he would like to make.

**Commissioner Michelman:** I want clarification I suppose from Commissioner Ducheny. Is what you're requesting is just an outline of reports that will just be given by this committee or all committees?

**Commissioner Ducheny:** Commissioner Michelman, look. We have right here, what's written down here is about the head injuries so on and so forth. This is what I expect is going to be in the report. You know what I mean. A discussion around these is classic.

Dr. Wallace has ideas of what he is going to be presenting to us and that would be okay but I can't discuss it with him if I don't even know what it's going to be. It's just a matter, if he has an agenda for this coming year then we should receive that ahead of time and we notice it. We could have a real discussion other than just standing up there and making comments on different issues.

**Commissioner Michelman:** So okay, I guess the point is that there be provided an outline or something of what's going to be discussed.

**Commissioner Ducheny:** Yes, I think I mean we can't think about it unless we have a report. Obviously he has thought about this for sometime so if he put together a year an agenda we need to see it.

**Ms. Scuri:** I think Dr. Wallace's report on the boxing injuries was fine but I think when everything started to go astray was when he was asked details of what he was going to be presenting. The Open Meeting Act has certain boundaries about things being on the agenda and when once you start to discuss items that are not on the agenda then you start to go against the law. No other committee does submit a written report but it is the pleasure of the commission so if that is what the commission wants from the Medical Advisory Committee then that is the commission's prerogative. The only time the commission has a written report is when there is an action item or an item that you wish to discuss. I am suggesting that we shouldn't be discussing the issues that Dr. Wallace wants to bring up in the future at this time.

**Dr. Wallace:** I can not operate with my fiduciary responsibility as the Chairman of the Medical Advisory Committee without informing and as I started off in the beginning saying I am getting information about things that are happening in the State.

**Commissioner Ducheny:** Please write it down so that we get an idea. Do not come here to

**Dr. Wallace:** Commissioner Ducheny, how can I write down what happened last night?

**Commissioner Ducheny:** Let me finish please.

**Dr. Wallace:** How can I write down the incident that went on last night?

**Commissioner Ducheny:** Okay, we have a director. If there is an emergency, we have a director and you need to talk to the director. You have a direct line to the commission and that's through our director. If an emergency arises, it's his job to act on that emergency. Other information that you just generally want to give us

**Dr. Wallace:** Commissioner Ducheny I did not ask you to act on it

**Commissioner Ducheny:** Please

**Dr. Wallace:** What I asked

**Commissioner Ducheny:** Dr. Wallace do not interrupt me. If you have information that you want – send it to us – get it to us. Get it to our director and he'll make sure that we get that information.

**Dr. Wallace:** I appreciate you trying to school me on what the Parliamentary Procedure is but the point truly is that if I have information to pass onto the commission then I have the opportunity to do that only through the Medical and Safety Committee. I have spoken to the Chairman who has already approved for me to give you this information.

**Commissioner Ducheny:** Okay, you get it to our director – you give it to our director – that's his job.

**Dr. Wallace:** I'm sorry Mister Commissioner I did not know that you were over the Medical Committee. Are you giving me information different then what the Chairman said.

**Commissioner Ducheny:** There's only – The commissioners – We are the commissioners and there are only six commissioner and not seven commissioners. There is not one committee that stands alone.

**Mr. Plowman:** We are getting way out of order now.

**Ms. Scuri:** It's gone on long enough.

**Chairman Soto:** Let's proceed, it's gone on long enough!

**Commissioner Ducheny:** Okay, let's move on please.

**Chairman Soto:** Thank you Dr. Wallace.

**Dr. Wallace:** Thank you.

#### **10.4 Legislative Committee Report**

This item was addressed in item 9.

#### **10.5 Officials' Committee Report**

Vice-Chairman Costa stated that he received all the Referee Evaluations in the mail and there were no bad evaluations. He reported that there was a show held on February 8, 2002 in Fantasy Springs where all the officials performed at or above the commission's expectations.

Chairman Soto stated that when he looked over the evaluations he always noticed that there were satisfactory marks after each one even though mistakes were made. He added that if a referee did something wrong it should be noted as unsatisfactory because when the issue of referee ability ever came into the spotlight there would be written records from the evaluations to back any claims. He reminded the commission of a case where referee ability came into play but the referee evaluations were marked as satisfactory.

Mr. Denkin stated that if a person was used to doing something the way that they had been doing it for 20 years it would be hard for that person to see any wrong in what they were doing. He pointed out that when a referee evaluator made a comment or suggestion to a referee on ways to improve his/her ability in the ring it did not always mean that he/she was unsatisfactory or if they even needed improvement. He noted that the mark for “needs improvement” was taken out of context and “unsatisfactory” would automatically mean that the referee would not work. Referencing Chairman Soto’s comment on marking unsatisfactory, Mr. Denkin did not feel that it was the proper thing to do because if a referee made a mistake that was not a major safety problem and he/she received an unsatisfactory report he/she would not referee or judge until he/she attended a commission meeting.

Chairman Soto stated that he was talking about if it kept occurring to the same referee. Mr. Denkin stated that he could only answer the problem by saying that the commission created a form that was used to evaluate referees utilizing the commission’s rules and regulations. He added that the form needed revising because if a referee performed well on one part of the form he could potentially perform under average while performing the same duties but the wording was different on the form.

Ms. Scuri stated that since the commission revised Rules 376 and 377 it might become a moot point because the commission created a different system for the evaluation process. At that point, she asked Ms. Church if the regulations had been approved by the Office of Administrative Law. Ms. Church stated that they had.

Commissioner Costa stated that after the show the evaluator always went over the evaluation with the referee(s) and during that process the evaluator would bring up any thing that they saw that the referee did wrong. He stated that the evaluator might just mark the satisfactory box to get the referees to sign off on the evaluation form.

Chairman Soto did not feel that it was a fair practice. At that point, Ms. Scuri stated that the conversation was going out of bounds and she suggested that if the commission would like to discuss the referee evaluations they should notice it at an upcoming meeting.

## **10.6 Amateur Boxing Committee Report**

Commissioner Vergara stated that in March he was going to accompany the National Golden Gloves Champions to the Olympic trials in Colorado Springs, Colorado. He reported that there were four Golden Gloves Champions from the Los Angeles area. He

noted that it might be three because one of the four champions might have turned professional but he was still researching that. He informed the commission that he attended the Johnny Flores show in December, which was well attended.

At that point, he asked the commissioners if they received the schedule for the Golden Gloves events in May. The commissioners did not so Commissioner Vergara instructed Mr. Munoz to make copies and mail out to the commissioners as well as including it on the commission's Upcoming Events list.

## **10.7 Strategic Plan Committee Report**

Commissioner Michelman stated that in December he along with staff met to begin the Strategic Plan process. He noted that the meeting was very informative and a lot of data was sorted out. He added that they were in the process of putting all the information together and he pointed out that they still had to determine on whether to update it every one, three or five year period. Basically, he informed the commission that the process was underway and they would have another report to update the commission by the next meeting.

Mr. Lynch stated that the commissioners as well as some of the people present at the meeting were going to be contacted by staff to give their input regarding the plan. He asked the commissioners if they had received any phone calls yet. The commission concurred.

## **10.8 Martial Arts Advisory Committee**

Mr. Barajas reported that the Martial Arts Advisory Committee was in the process of finalizing the recommendations on the changes to the Muay Thai rules that were submitted by Mr. Tom Khamvongsa. He stated that he had received input from Dr. Hamilton and Mr. Paul Smith. He noted that he was still awaiting Mr. Dan Stell comments on the regulations and once he received them he would update the commission at a future meeting.

Mr. Lynch stated that Ms. Scuri would have to review the changes before they were presented to the commission for consideration.

### **10.8.1 Mixed Martial Arts Report – Dr. Nelson Hamilton**

Before Dr. Hamilton began his report, Commissioner Michelman commended him on the report that he provided because it detailed the mixed martial arts sport from its inception until current times. Dr. Hamilton appreciated the compliment and stated that he wrote the report because he felt that an overview of the sport would be beneficial to the commission.

At that point, Mr. Lynch gave the commission a brief background on the commission's involvement with the sport of mixed martial arts. He explained that two years prior, the

commission did not have a clue of what mixed martial arts was until the mixed martial arts community came before the commission to explain the sport. He noted that mixed martial arts was illegal in the state of California because the commission's rules for martial arts basically addressed kickboxing and certain fouls in kickboxing (i.e. take downs and choke) were main staples or main techniques used in mixed martial arts. Since mixed martial arts were illegal, Mr. Lynch stated that numerous persons in the mixed martial arts community requested that the commission adopt regulations for the sports.

Mr. Lynch stated that for about a year and a half he along with the help of Ms. Church, the Martial Arts Advisory Committee, and legal counsel wrote several versions of regulations until they created a final version that was acceptable to the commission, the mixed martial arts community, the Department, and the Agency Secretary. He noted that once it went to the "higher ups" it was not approved due to the funding issues because the commission was requesting \$600,000 to implement the program. He pointed out that the projected revenue would have been between \$800,000 - \$900,000 per year but wherever it faltered the administration disapproved the funding, which resulted into the regulations not being approved. He added that the commission tried but that was the current situation in regard to mixed martial arts.

Dr. Hamilton reported that the Ultimate Fighting Championship (UFC) held an event in January at the Mahogany Casino in Connecticut. He informed the commission that the attendance for the event was about 10,000 and pay-per-view also brought in high numbers. He stated that he was faxed a report with the exact numbers but he did not have the report with him. At that point, he noted that there was a mixed martial arts show "King of the Cage" on February 9<sup>th</sup> at the Saboba Casino and there was also going to be a show on February 22<sup>nd</sup> at the Mandalay Bay Casino in Las Vegas.

Dr. Hamilton informed the commission that he had a conversation with Mr. Lynch regarding the "Pride" event in December at the Tokyo Dome in Japan. He pointed out that the attendance was well over 55,000 and it was also broadcasted throughout the country. He stated that with the numbers generated in Japan and the passage of mixed martial arts regulations in New Jersey and in Nevada, California was "left out in the cold" due to the loss of potential revenue. At that point, Mr. Lynch stated that New Jersey and Nevada used the regulations that were developed in California to implement their programs. Dr. Hamilton concurred and stated that during a conversation with Mr. Ratner, Nevada Executive Director, he stated that California needed to get it together because 70% of the people that came to Las Vegas to see the UFC were from California.

Dr. Hamilton stated that he had educated and informed the commission of the sport with the hopes of having mixed martial arts passed in 2003. He explained that there were many people traveling out to distant Indian Reservations to watch mixed martial arts events in California with no revenue being given to the State. He pointed out that there were still several underground or illegal events that were happening in the State that needed to be stopped because if there were injuries or if something negative happened it would reflect badly on the sport as a whole.

Commissioner Michelman stated that he would like to include the item of mixed martial arts on the next commission agenda to see where the commission stands in regard to getting legislation passed to adopt the regulations. He added that the Legislative Committee could also look at it to see what they could do for the next year. At that point, Commissioner Ducheny stated that the commission approved the regulations but when it went to Finance, which is a branch of the Governor's Office, they did not approve the "seed money" necessary to get the program started. He added that the commission believed that the sport would make enough money to pay for itself but due to the current financial problem in California it made him feel that it would still not be approved.

Commissioner Ducheny informed the commission that a couple of months ago he asked Ms. Scuri to research if there was a possibility of getting "seed money" from the mixed martial arts community so that when the regulations went before the Appropriations Committee there would not be a cost for the start up of the program. He noted that he had not received any information from Ms. Scuri as of the date of the commission meeting.

Commissioner Michelman concurred with Commissioner Ducheny's comment regarding receiving "seed money" from the mixed martial arts community but he also wanted the topic included on the next agenda to keep the item open for input. He stated that with the continued discussions and research the commission could hopefully find a way to get the regulations through.

Chairman Soto stated that he went to the UFC show in Las Vegas and could not believe the crowd that it drew. He added that the ages varied from 18 to about 30.

Dr. Hamilton stated that when the commission finds out more about the "seed money" he would like to know as soon as possible because he had already discussed the issue with a couple of promoters and they were in agreement to fund the program. He added that he would like to know the exact cost of what the commission needed to get the program going.

Ms. Scuri stated that she knew there were rules on how the state accepted money from outside sources. She noted that her office took a 25% cut in staff and there was a hiring freeze in affect but she would get answers to the commission as soon as she could.

Dr. Hamilton stated that he passed around a sign up sheet to get a free subscription to a mixed martial arts publication. He informed the commission that in the current issue of the publication there was an article that he had written concerning mixed martial arts and the commission. He noted that the publication had about 60,000 - 70,000 subscribers and he stated that it would behoove the commission to read the article because it was in favor of the commission.

Commissioner Ducheny asked Ms. Scuri if it would be possible to have another attorney help her research the issue regarding the commission receiving outside funding from the mixed martial arts community. Ms. Scuri concurred but stated that every time an

attorney left from her office the existing attorneys would receive another new board or bureau. Commissioner Ducheny stated that he meant an attorney from the mixed martial arts community. Ms. Scuri stated that it would help.

Commissioner Ducheny asked Dr. Hamilton if he understood what he was getting at. Dr. Hamilton stated that the commission wanted him to ask the mixed martial arts community to supply an attorney to research and/or help with the project. Commissioner Ducheny concurred. Dr. Hamilton stated that he would contact some promoters to relay the information and he would get back to the commission. He added that with the current financial problems that the commission faced it would be a benefit if the mixed martial arts regulations were passed because it would bring in added revenue.

At that point, Mr. Lynch stated that the passage of the regulations would not benefit or help the commission with its budget shortfalls because the commission was a General Fund Agency. He pointed out that a General Fund Agency was given a spending appropriation, which meant that if the agency was given \$800,000 for its budget but generated \$5,000,000 the agency would still only be permitted the \$800,000. Ms. Church added that if the commission wrote legislation for the regulations it should be appropriated as a Special Fund and not a General Fund.

Dr. Hamilton stated that he did not know how many of the commissioners actually attended or viewed a mixed martial arts event. He added that it would behoove the commission to attend or watch an event to get a better picture of the sport. He suggested that at an upcoming meeting he could bring a mixed martial arts videotape to show the commission.

Vice-Chairman Costa asked Dr. Hamilton if the UFC was the same promoter that promoted the event a couple of months ago at the Mandalay Bay Hotel in Las Vegas. He added that if it was the show, it was not well attended. Dr. Hamilton stated that the UFC was licensed in May of 2001 in Nevada and promoted its first show in August of 2001 at the Mandalay Bay Hotel. He noted that the event drew in about 10,000 people, which generated a gate of over \$1 million dollars. He added that two months later they put on a show at the MGM Grand which drew about 7,000 - 8,000 people. He informed the commission that there was one more mixed martial arts event in Las Vegas but it was not promoted by the UFC. At that point, he advised Vice-Chairman Costa that the UFC's first show of 2002 was in Connecticut.

Mr. Lynch asked Dr. Hamilton that since UFC's owner was a prior commissioner of the Nevada State Athletic Commission did he think that it helped mixed martial arts get passed in Nevada. Dr. Hamilton concurred but stated that the owner of the UFC also was willing to work and adhere to whatever the Nevada commission required. He added that the passage of mixed martial arts in the State of New Jersey and the written regulations from the State of California made it easy to pass in Nevada.

Dr. Hamilton stated that people travel to see the mixed martial arts show and he pointed out that after the meeting he was driving to the Soboba Casino. He noted that at the event



at the Soboba Casino they expected 5,000 - 6,000 people. He informed the commission that last year around the same time there was an event at the Soboba Casino where it rained but the event still attracted over 5,000 people. Commissioner Vergara asked if the event was outside. Dr. Hamilton concurred but stated that a tent with open sides covered the event.

Dr. Hamilton closed by saying that the fans of mixed martial arts were rabid about their sport and he looked forward to seeing the sport legalized in the State of California. He stated that he would supply the commission with continued written and oral reports about the mixed martial arts scene prior to the commission meetings. The commission thanked Dr. Hamilton for his report.

#### **11. AGENDA ITEMS FOR FUTURE MEETINGS**

The following items were given:

- Committee Report Process
- Performance Evaluation Form

#### **12. COMMISSIONERS' COMMENTS AND/OR RECOMMENDATIONS**

Before Chairman Soto began to address the issue of Mr. Mike Tyson's licensure status in the State of California, Mr. Plowman advised him not to address the matter because it was not a noticed item.

At that point, Mr. Lynch stated that Mr. Tyson's attorneys sent the commission a letter requesting that the commission consider licensure of Mr. Tyson. He explained that staff sent a Release of Records for all medical records and the application packet for the 2002-licensing year. He noted that to date staff had not received anything.

#### **13. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA**

Mr. Denkin stated that a boxer named Terry Evans came before the commission to request that his boxing license be reinstated. He noted that Mr. Evans' was retired due to his record of 0 wins and 8 losses. Mr. Denkin added that Mr. Evans appeared at the meeting with his trainer and his trainer convinced the commission that Mr. Evans was training hard and could successfully compete in the sport of boxing. Subsequent to the meeting, Mr. Denkin pointed out that the commission reinstated Mr. Evans' license.

Mr. Denkin informed the commission that Mr. Evans lost his first fight since the reinstatement of his license by a knockout in the first round against a fighter that was making his professional debut. He stated that all the commission did was suspend Mr. Evans for the mandatory 45 day no contest and 30 day no training. He noted that Mr. Evans had fought in Oregon, Washington, and recently fought in Mexico and lost that fight by knockout in the first round, which left him with a record of 0 wins and 11 losses. He added that a week after the knockout loss in Mexico he fought again in Mexicali and

lost that fight by knockout. He pointed out that Mr. Lohuis tried to convince Mr. Evans not to fight due to health and safety reason but Mr. Evans still fought.

Mr. Denkin stated that Mr. Evans was allowed to fight because he was not on suspension at the time of the other fights that he participated in. He pointed out that if a fighter was retired he could apply in other states and could be granted a license but if the fighter was suspended for a whole licensing year that fighter would not be granted or allowed to fight anywhere. He requested that if it became apparent to the commission that a fighter could not successfully compete in boxing that fighter should be suspended from the year his ability was questioned until the next licensing year to ensure that the fighter would not compete. He added that many fighters who were granted a California license usually received a license in other states because the California license was held in high regard. He felt that this problem was a health and safety issue.

Mr. Jerry Bilderrain stated that any trainer or manager that took a fighter of Mr. Evans' ability to fight anywhere should also be suspended because of the health and safety issue. He concurred with Mr. Denkin's comments.

Mr. Bilderrain informed the commission that boxing manager, Art Arvizu, past away and his services were held on February 8, 2002. He also informed the commission that promoter Don Frazier's wife past away on February 7, 2002 and the services were going to be held within the next 5 - 10 days.

The meeting adjourned at 1:55 p.m.

The draft minutes were prepared by:

\_\_\_\_\_  
FRANK MUNOZ

\_\_\_\_\_  
DATE

The final minutes were prepared by:

\_\_\_\_\_  
FRANK MUNOZ

\_\_\_\_\_  
DATE